



Testimony of The Leukemia & Lymphoma Society
In opposition to HB 5383
“An Act Concerning Association Health Plans.”
March 15, 2022

The Leukemia & Lymphoma Society (LLS) is grateful for the opportunity to submit the following testimony to the Committee on Insurance and Real Estate in opposition to HB 5383 “An Act Concerning Association Health Plans.”

At LLS, our mission is to cure leukemia, lymphoma, Hodgkin’s disease and myeloma, and improve the quality of life of patients and their families. LLS exists to find cures and ensure access to treatments for blood cancer patients.

The good news is that advancements in research and treatment of these conditions have led to significant improvements in survival rates for blood cancer patients over the past several decades. That depends, however, on having access to the health care services necessary to catch, diagnose, and treat the disease in a timely fashion –and access to care starts with access to coverage.

We agree that it is critical to ensure that affordable health insurance coverage is available to every Connecticut consumer who needs it, but we do not feel that association health plans –or AHPs, sometimes also referred to as multiple employer welfare arrangements or MEWAs—are the right solution.

One problem facing this bill is that the federal rules which opened the door to some forms of AHPs are currently the subject of ongoing litigation. On February 8th of last year, the DC Circuit Court of Appeals issued an order holding the case in abeyance at the request of the Biden Administration.¹ While that court case does not impact all forms of AHPs, it does mean that the future scope of this market segment is currently uncertain.

We are concerned that AHPs are a key component of years-long attempts to undermine the Affordable Care Act (ACA) and codifying their creation in Connecticut would work to further undercut the state’s marketplace and put patients at risk. AHPs may be able to offer lower premiums to some consumers in some cases, but affordability of health coverage includes more than just premiums. AHPs are not required to cover services in the essential health benefits package and may charge higher premiums based on occupation and, in some cases, health status.

¹ Keith, Katie. “ACA Round-Up: Health Plan Filing Deadlines, Affordability Data, Association Health Plan Litigation, And More.” February 9 2021. Health Affairs Blog. Available at: <https://www.healthaffairs.org/doi/10.1377/hblog20210209.830145/full/>

As a result, these plans put patients at both financial and health risk. We are also concerned that by opening the door for some employers to provide minimal coverage to their employees, Connecticut could see changes to the individual market risk pool that will raise premiums for consumers who are left shopping for coverage for themselves and their families

On a related note, it is important to remember that if employer-based coverage through an AHP is made newly available to individuals who currently enroll through the Marketplace, they will no longer be eligible for any tax credits or subsidies for a Marketplace plan. Imagine a blood cancer patient who works for a small employer who does not offer coverage, and who receives advance premium tax credits (APTC) to lower their premiums through the Marketplace, and who has selected a silver plan to help manage their out-of-pocket costs.

It may be the case that an AHP's base premiums are less than that patient's base silver premium, but that does not consider the significant premium offset afforded by the APTC. If their employer decides to offer a comparatively barebones AHP instead, that patient will have no choice but to accept that plan with its limited benefits and increased cost.

We share concerns over the affordability of health coverage, and we are eager to work together to find ways to make sure that patients and consumers can afford the best possible plans for themselves and their families –plans that provide the right coverage at the right time, and where affordability considers not only premiums but also out-of-pocket costs. But we do not feel that this bill is the right solution.

We urge the members of the Committee to oppose this bill.

Sincerely,

Ernie Davis
Northeast Regional Director, Government Affairs
The Leukemia & Lymphoma Society